

**NATURAL RESOURCES AND ENVIRONMENTAL PROTECTION ACT (EXCERPT)**  
**Act 451 of 1994**

**324.19608a Clean Michigan initiative revolving loan program.**

Sec. 19608a. (1) The department shall create a clean Michigan initiative revolving loan program for the purpose of making loans to local units of government and brownfield redevelopment authorities created under the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2651 to 125.2672, for response activities at known or suspected facilities with redevelopment potential.

(2) The department shall accept, and consider for approval, applications for loans throughout the year. The department shall develop written instructions for prospective applicants, including the criteria that will be used in application review and approval.

(3) Final application decisions shall be made by the department within 90 days of submittal of a complete loan application.

(4) A complete application shall include all of the following:

- (a) A description of the proposed eligible activities.
- (b) An itemized budget for the proposed eligible activities.
- (c) A schedule for the completion of the proposed eligible activities.
- (d) The location of the property.
- (e) The current ownership and ownership history of the property.
- (f) The current use of the property.
- (g) A detailed history of the use of the property.
- (h) The existing and proposed future zoning of the property.

(i) If the property is not owned by the applicant, a draft of an enforceable agreement between the property owner and the applicant that commits the property owner to cooperate with the applicant, including a commitment to allow access to the property to complete, at a minimum, the proposed eligible activities.

(j) A description of the property's economic redevelopment potential.

(k) A resolution from the governing body of the applicant committing to repayment of the loan according to the terms of this section.

(l) Other information as specified by the department in its written instructions.

(5) To receive loan funds, approved applicants must enter into a loan agreement with the department. At a minimum, the loan agreement shall contain all of the following:

- (a) The approved eligible activities to be undertaken with loan funds.
- (b) An implementation schedule for the approved eligible activities.
- (c) Reporting requirements, including, at a minimum, the following:

(i) The loan recipient shall submit a progress status report to the department every 6 months during the implementation schedule.

(ii) The loan recipient shall provide a final report within 3 months of completion of the loan-funded activities that includes documentation of project costs and expenditures, including invoices and proof of payment.

(d) If the property is not owned by the loan recipient, an executed agreement that has been approved by the department that meets the requirements of subsection (4)(i).

(e) Other provisions as considered appropriate by the department.

(6) As used in this section:

(a) "Baseline environmental assessment" and "response activity" mean those terms as they are defined in section 20101.

(b) "Due care activities" means those activities conducted under section 20107a.

(c) "Eligible activities" means baseline environmental assessment activities, due care activities, and any additional response activity. Eligible activities include only those activities necessary to facilitate redevelopment. All eligible activities must be consistent with a work plan or remedial action plan pursuant to section 15 of the brownfield redevelopment financing act, 1996 PA 381, MCL 125.2665. Unless otherwise approved by the director, only activities carried out and costs incurred after execution of a loan agreement are eligible.

**History:** Add. 2003, Act 253, Imd. Eff. Dec. 29, 2003.

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